

## EMPLOYER AGREEMENT

### Argos Program for Mississippi Workers' Compensation Insurance

This Employer Participation Agreement (this "Agreement"), effective as of \_\_\_\_\_, is entered into by and between ARGOS GROUP, INC. ("Argos"), an Alabama corporation authorized to do business in the State of Mississippi, and \_\_\_\_\_ ("Employer"), subject to the terms and conditions set forth hereinafter:

#### 1. Definitions.

A. Claims Servicing Organization. The entity designated by Argos or the Provider from time to time to service claims of participating Employers.

B. Coverage. Workers' compensation and employers' liability insurance coverage in such limits as set forth in the policy purchased by Employer from the Provider, at least a portion of which insures exposures in the State of Mississippi.

C. Coverage Effective Date. The date that the Employer's insurance Coverage first becomes effective under the policy.

D. Employer. A business with operations in the State of Mississippi that has purchased insurance Coverage from the Provider and has engaged Argos to provide certain services on its behalf by virtue of signing this Agreement and abiding by the terms hereof.

E. Estimated Annual Premium. The total amount of premium that Argos estimates Employer will pay for twelve month's of Coverage under the policy if actual payroll by classification is identical to the estimate provided on the application for insurance. Employer's actual premium for a given policy year will be determined after the close of that policy year upon an audit of payroll records and operations and may vary significantly from Estimated Annual Premium.

F. Expense Constant. An annual charge levied to cover the cost of annual and final payroll audits. The amount of this charge may vary from policy year to policy year but will in no event be pro-rated.

G. Provider. The insurance company or companies providing first dollar workers' compensation and employers' liability insurance coverage for the exposures of Employer in the State of Mississippi.

H. Argos Program. The workers' compensation and employers' liability program sponsored and administered by Argos for the participating Employers with operations in the State of Mississippi.

I. NSF Fee. A fee of twenty-nine (\$29.00) charged to all participating employers whose checks, tendered in payment of premium and/or fee's, are returned from the bank for any reason.

J. Late Fee. Flat fee of thirty-five dollars (\$35.00) charged if premium is not received by due date as specified on invoice.

2. **Term of Agreement.** This Agreement will commence on the date signed by the Employer and will continue in full force and effect until terminated as set forth herein.

3. **Payments of Premiums and Other Charges.** Employer agrees to pay Argos or its designee all premium, Expense Constants, Late Fees, NSF Fees and other lawful charges in a timely manner and in accordance with the selected pay plan in effect pursuant to this Agreement, as follows (**Employer to select one by checking the corresponding box**):

**Annual Pay Plan.** Employers opting to pay premiums to the Provider in one lump-sum for the entire policy year shall pay 100% of Estimated Annual Premium plus the applicable Expense Constant and other lawful charges, if any, prior to the Coverage Effective Date. Credit for any overpayment of premium will be given upon annual or final audit.

**Argos Program Pay Plan.** Employers opting to pay premiums in installments shall pay an advance premium equal to 16.7% of Estimated Annual Premium plus the applicable Expense Constant prior to the coverage effective date. Thereafter, Employer will receive a periodic payment invoice ("Invoice") around the first day of each month that indicates the amount of premium due for the month, payment due date, plus other lawful charges, if any. The first Invoice will show premium due in a sum equal to 1/12 of Estimated Annual Premium. Each subsequent Invoice will show premium due for the month, based on actual payroll as reported by Employer on the Monthly Payroll Worksheet section of the Invoice for the prior month and audited by Argos, provided such payroll information is timely received by Argos. For any month where such information is not timely received, Argos will bill Employer 1/12 of Estimated Annual Premium and Employer shall timely pay that amount even if actual payroll was less. Credit for any overpayments of premium will be given upon annual or final audit.

**4. Advance Premium.** Employer agrees that prior to the effective date of its Coverage, it will pay to Argos a certain amount of premium in advance depending on the pay plan chosen by Employer under Section 3 for a given policy year. If the Employer opts for the Annual Pay Plan, the advance premium amount shall be 100% of Estimated Annual Premium for the policy year including the applicable Expense Constant. If the Employer opts for the Installment Pay and Audit Plan, the advance premium shall be a sum equal to 16.7% of its estimated annual first-year premium plus its first-year Expense Constant. This advance premium will be fully credited to the policy of the Employer for the applicable policy year.

**5. Applicable Laws and Regulations.** Employer agrees to abide by all applicable laws and regulations at all times during the term of this Agreement and elective participation in the Argos Program.

**6. Reporting of Claims.** Employer agrees to report to the Claims Servicing Organization all accidents or illness which may give rise to a workers' compensation or employers' liability claim within the time prescribed by law and in such manner and on such forms as may be prescribed by the State Department of Insurance, Argos, the Provider or the Claims Servicing Organization.

**7. Non-Payment of Premium, Expense Constant.** Employer agrees that in the event it fails or refuses to make payment of any sums due hereunder whether it be premium, Expense Constant, Late Fees, NSF Fees or other lawful fees or charges then Employer shall become liable to Argos for any costs of collection of such unpaid sums, including but not being limited to reasonable attorney's fees, costs of court, collection agency fees, investigative fees and the maximum interest rate allowed by law.

**8. Annual Payroll and Class Code Audit.** Employer agrees to submit to annual and periodic audits of its payroll and operations by Argos or its designee. Employer will cooperate with Argos and make all necessary information available to Argos or its designees for this purpose.

**9. Claims Payment.** The Claims Servicing Organization will process, investigate and pay valid and appropriate workers' compensation and employers' liability claims made by participating Employers.

**10. Invalid Provisions.** If any provision or provisions of this Agreement shall be determined to be invalid or unlawful, the remaining provisions shall nevertheless remain in full force and effect.

**11. Conflicting Provisions.** If one or more provisions of this Agreement are in conflict with one or more provisions in the policy issued by the Provider or any applicable Mississippi law, rule or regulation, the pertinent policy provision(s) or law, rule or regulation shall in every case override the conflicting provision(s) in this Agreement.

**12. Entire Agreement.** As regards the subject matter hereof, this Agreement constitutes the entire agreement of the parties.

**13. Governing Law.** This Agreement will be governed by and construed according to the laws of the State of Mississippi.

**IN WITNESS WHEREOF**, the parties have executed this Agreement on the day and dates shown below.

**EMPLOYER:**

**ARGOS GROUP, INC.**

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: Karl Peterson

Name: \_\_\_\_\_

Title: Sr. Vice President

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_